

3/23/2015 DATE IN	SUSPENSE	MAM ENGINEER	3/24/2015 LOGGED IN	NSC TYPE	PMAM150433923 APP NO
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ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
- Engineering Bureau -  
1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication  
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify \_\_\_\_\_

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners  
[B] ☐ Offset Operators, Leaseholders or Surface Owner  
[C] ☐ Application is One Which Requires Published Legal Notice  
[D] ☒ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office  
[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,  
[F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note:** Statement must be completed by an individual with managerial and/or supervisory capacity.

Jordan L. Kessler  
Print or Type Name

Signature

Attorney  
Title

jlkessler@hollandhart.com  
e-mail Address

Date

3/23/15

- NSC 7251  
- EOG Resources, Inc.  
7377  
LWCH  
- Hearns 27 State Comm  
#401H 30-025-42187  
RECEIVED OGD  
2015 MAR 23 P 10:28  
Pool  
- Triplex; Bone  
Spring, East  
96682

March 19, 2015

**VIA HAND DELIVERY**

David Catanach  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

RECEIVED OGD  
15 MAR 23 P 10:28

**Re: Application of EOG Resources, Inc. for administrative approval of an unorthodox well location for its Hearn's 27 State Com #401H Well to be completed in Section 34, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico.**

Dear Mr. Catanach:

EOG Resources, Inc. (OGRID No. 7377) seeks administrative approval of an unorthodox well location for its **Hearn's 27 State Com #501H Well** to be completed within the Triste Draw; Bone Spring, East Pool (96682) underlying Section 34, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico. This well will be drilled from a surface location 300 feet from the South line and 2120 feet from the West line (Unit N) of Section 27. The upper most perforation will be 330 feet from the North line and 1480 feet from the East line of Section 34 (Unit C) and the lower most perforation will be 330 feet from the South line and 1480 feet from the East line (Unit N) of Section 34. Since this acreage is governed by the Division's statewide rules which provides for wells to be located no closer than 330 feet to the outer boundary of the spacing unit, the completed interval for this well will be unorthodox. Approval of the unorthodox completed interval will allow for efficient well spacing in Section 34, prevent waste of a productive reservoir and improve well performance.

**Exhibit A** is the Well Location and Acreage Dedication Plat (Form C-102), which shows that the completed interval of the proposed **Hearn's 27 State Com #401H Well** encroaches on the 40-acre spacing and proration unit to the Northwest, West and Southwest.

**Exhibit B** is a land plat for Section 27 and the surrounding sections that shows the proposed **Hearn's 27 State Com #401H Well** in relation to adjoining units and existing wells.



EOG is the sole operator and mineral lessee of the spacing units affected by the encroachment to the West, Northwest, and Southwest. Accordingly, there are no affected parties in those spacing units. Nonetheless, a courtesy copy of this application has been provided to the New Mexico State Land Office and the Bureau of Land Management-Carlsbad.

Your attention to this matter is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Jordan L. Kessler".

Jordan L. Kessler

**ATTORNEY FOR EOG RESOURCES, INC.**

cc: New Mexico State Land Office  
P.O. Box 1148  
Santa Fe, NM 87501

Bureau of Land Management-Carlsbad  
620 E. Green Street  
Carlsbad, NM 88220

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources  
Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

FORM C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-025-42087</b>	<sup>2</sup> Pool Code <b>96682</b>	<sup>3</sup> Pool Name <b>Triple x', Bone Spring, East</b>
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>HEARNS 27 STATE COM</b>	<sup>6</sup> Well Number <b>#401H</b>
<sup>7</sup> GRID No.	<sup>8</sup> Operator Name <b>EOG RESOURCES, INC.</b>	<sup>9</sup> Elevation <b>3488'</b>

<sup>10</sup>Surface Location

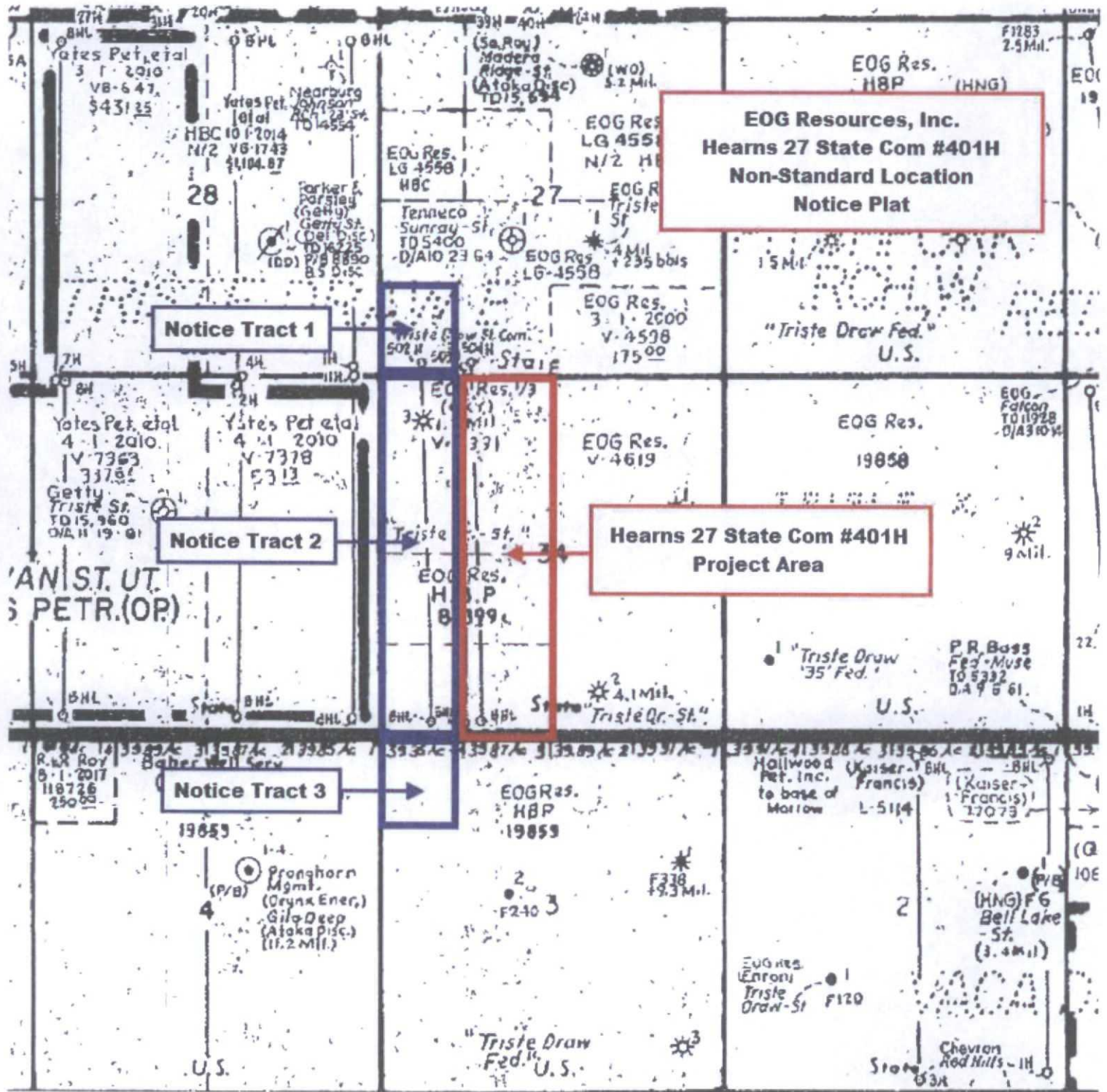
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	27	24-S	33-E	-	300'	SOUTH	2120'	WEST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	34	24-S	33-E	-	230'	SOUTH	1480'	WEST	LEA

<sup>11</sup> Dedicated Acres <b>160.00</b>	<sup>12</sup> Joint or Infill	<sup>13</sup> Consolidation Code	<sup>14</sup> Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

						<p><sup>17</sup>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p>E-mail Address _____</p>	
<p><sup>18</sup>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor _____</p> <p>Certificate Number _____</p>						<p><b>EXHIBIT A</b></p>	



## **McMillan, Michael, EMNRD**

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**From:** Jordan L. Kessler <JLKessler@hollandhart.com>  
**Sent:** Tuesday, March 24, 2015 2:41 PM  
**To:** McMillan, Michael, EMNRD  
**Subject:** RE: EOG Hearn's 27 State Com Well No. 401H

Dear Mr. McMillan,

For the Hearn's 27 State Com No. 401H, the upper most perforation will be 330 feet from the North line and 1480 feet from the West line of Section 34 (Unit C) and the lower most perforation will be 330 feet from the South line and 1480 feet from the West line (Unit N) of Section 34. The project area will be the E/2 W/2 of Section 34.

Please let me know if you have any further questions.

Thanks!  
Jordan

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**From:** McMillan, Michael, EMNRD [<mailto:Michael.McMillan@state.nm.us>]  
**Sent:** Tuesday, March 24, 2015 12:51 PM  
**To:** Jordan L. Kessler  
**Subject:** EOG Hearn's 27 State Com Well No. 401H

Ms. Kessler:  
can you clarify the upper most perforation, lower most perforation, and the project area  
Thanks You

## **Michael A. McMillan**

Engineering and Geological Services Bureau, Oil Conservation Division  
1220 South St. Francis Dr., Santa Fe NM 87505  
O: 505.476.3448 F. 505.476.3462  
[Michael.mcmillan@state.nm.us](mailto:Michael.mcmillan@state.nm.us)